

Forum work programme

1. The Payment Systems Regulator (PSR) has set a milestone that the Payments Strategy Forum (Forum) will deliver a strategy within 12 months from the date of its first meeting, meaning work needs to start immediately.
2. To support and progress this goal, the Forum's secretariat has provided draft outlines for a number of working groups and work streams to undertake and drive detailed work on key areas.
3. The key areas have been identified through engaging the Payments Community as discussed in paper 3 *Strategy Setting Principles and Priorities*.
4. Proposed working groups and work streams include:
 - [Simpler access to markets working group](#) - to examine whether and how payment systems can be developed in order to simplify access and participation in the market for PSPs;
 - [User needs working group working group](#) – to:
 - a) understand and define the issue of misdirected payments
 - b) examine whether and how payment systems can be developed to address mis-directed payments
 - c) understand and define other user-needs prioritised by the Payments Community;
 - [Financial crime working group](#) - to examine whether and how payment systems can be used to develop centralised functions aimed at preventing financial crime;
 - [Horizon Scanning work stream](#) - to research and present a regular horizon scanning report to the Forum. The report will identify key developments and suggest how these might be relevant to the Forum's work.
 - [Evaluation Framework working Group](#) - to conduct evaluation including cost benefit analyses where appropriate of potential solutions developed by the other groups. It will inform the Forum of the implications of developing any solutions in a collaborative manner;
5. The draft terms of references for these groups can be found in the annex below, along with a working group overview (annex 6).
6. The Forum is invited to consider the work plan and these terms of reference and to decide whether they are appropriate to address the key areas highlighted by the payments community and achieve a comprehensive strategy in 12 months.

Annex 1 Simpler access to markets working group terms of reference

Background

1. The Payment Systems Regulator (PSR) has a duty to promote the development of, and innovation in payment systems in the interests of those who use, or are likely to use, the services provided by those payment systems (service-users).
2. The PSR has established the Payments Strategy Forum (the Forum) to ensure that changes and innovations in payment systems which require collaboration between firms can happen in an effective and timely manner. It aims to help overcome coordination difficulties and to proactively engage with a broad and diverse range of service-users to put their views at the beginning of the strategy setting process.
3. In preparation for the Forum's first meeting in October 2015, the PSR has been engaged in discussions with around 90 different stakeholders from the Payments Community, to establish common views on key areas or issues that could be addressed strategically by the Forum.
4. Input from these stakeholders was discussed at the Payments Community Event on 17 September 2015, with the aim of further understanding the areas stakeholders felt should be prioritised by the Forum.
5. Participants at the Community Event thought that the following should be a priority for the Forum:
 - New technical access solutions for payment systems
 - Common technical standards and rules for payment messages
 - A review of interbank scheme governance models
6. These three items are related by their potential to make access to markets simpler, in particular, gaining access and participating in the interbank payment systems (i.e. Faster Payments, Bacs, Cheque and Credit Clearing).
7. Participants also stressed that the Forum should take international standards, rules and practices into account.

Scope and deliverables

8. This group will gather evidence to assist the Forum's considerations on whether and how addressing the three areas above can make access to markets simpler and provide net benefits to service-users.
9. The group should take into account existing PSR work to address particular issues relating to direct and indirect access to payment systems, and identify where any of the areas above are already being addressed by PSR initiatives.

Stage one	Deliverable
<p>Activity 1: Understand and define the three areas above including whether and how addressing these areas would make access to markets simpler.</p> <p>Key considerations:</p> <ul style="list-style-type: none"> • What aspects of payment systems/ payment schemes can be addressed in order to make access to markets simpler ('simplification scenarios')? i.e. some, or all, of: governance, membership criteria, processes for making and changing rules, technical and operational requirements, contracts with infrastructure providers and collaborative activities that already arise between the operators. • Can and should work in these areas promote UK and international interoperability? The group should take into account international standards, rules and practices. • Are any of these already addressed, or likely to be addressed by the PSR work programme? 	<p>Deliverable 1: Provide input to the Evaluation Framework Group (EFWG) detailing findings from activity 1 and 2 <u>By November (date TBC)¹</u></p> <p>Deliverable 2: Present findings to Forum meeting <u>By 15 December (date TBC)</u></p>
<p>Activity 2: Undertake an initial qualitative (and where possible quantitative) assessment looking at the pros and cons of different simplification scenarios.</p> <p>Key considerations (not exhaustive):</p> <ul style="list-style-type: none"> • The benefits of moving to common technical and operational requirements and the associated one-off transition costs. • Comparisons with using aggregator/translation services to achieve some benefits of common technical requirements. • Possible liquidity benefits from combining settlement 	

¹ All materials should be sent to Forum secretariat two weeks ahead of due date

<p>cycles.</p> <ul style="list-style-type: none"> Information on governance, notably voting and investment procedures for combined entities. The importance of being able to plan investment across the needs of the interbank payment systems given costs of this apply mainly on the PSPs rather than the operators or infrastructure providers. 	
Stage two	
<p>Activity 3: Gather further evidence as specified by EFWG to enable assessment of 'simplification scenarios'.</p> <p>Key considerations:</p> <ul style="list-style-type: none"> Evidence requirements to be specified by EFWG. 	<p>Deliverable 3: Provide evidence and technical input from activity 1 to EFWG <u>By January (date TBC)</u></p> <p>Deliverable 4: Present findings to Forum meeting <u>By 25 February</u></p>
Stage three	
<p>Activity 4: Continue to gather evidence and provide technical input to EFWG</p> <p>Key considerations:</p> <ul style="list-style-type: none"> Evidence requirements to be specified by EFWG. 	<p>Deliverable 5: Provide evidence and technical input from activity 1 to EFWG <u>By March (date TBC)</u></p> <p>Deliverable 6: Present findings to Forum meeting <u>By 14 April</u></p>
Stage four	
<p>Activity 5: Develop plans for implementation of collaborative developments in relevant areas, following EFWG's full evaluation</p> <p>Key considerations:</p> <ul style="list-style-type: none"> To be agreed by the forum. 	<p>Deliverable 7: Present to Forum meeting <u>By June (date TBC)</u></p>
Working Group Concludes	

10. The Forum can discuss and agree changes to the terms of reference for this group.

Working group operating principles

Chair and membership

11. The Forum will select a working group Chair to coordinate this work, responsible for reporting back to the Forum.
12. The Forum should discuss and agree the constitution of the working group to progress the work. There should be an open call for expressions of interest in actively participating in its work.
13. The PSR, the FCA and Bank of England should be invited to attend working group meetings as observers.

Resourcing

14. The Forum should agree resourcing, including provision of secretariat support to the group and locations for meetings.
15. Working group members will be expected to provide all resources and funding necessary for the group to function effectively.

Meetings

16. The Working group Chair will be responsible for convening any meetings necessary to progress the work.
17. The Working group Chair should be responsible for presenting the deliverables of the group as required by the Forum.
18. The working group may decide to set up its own sub-groups to progress work on specific matters within the scope of the working group if it considers this will help it to meet its objectives. The Forum should be made aware of the formation of any sub-groups and their purpose and function.

Annex 2 User needs working group terms of reference

Background

1. The Payment Systems Regulator (PSR) has a duty to promote the development of, and innovation in payment systems in the interests of those who use, or are likely to use, the services provided by those payment systems (service-users).
2. The PSR has established the Payments Strategy Forum (the Forum) to ensure that changes and innovations in payment systems which require collaboration between firms can happen in an effective and timely manner. It aims to help overcome coordination difficulties and to proactively engage with a broad and diverse range of service-users to put their views at the beginning of the strategy setting process.
3. In preparation for the Forum's first meeting in October 2015, the PSR has been engaged in discussions with around 90 different stakeholders from the Payments Community, to establish common views on key areas or issues that could be addressed strategically by the Forum.
4. Input from these stakeholders was discussed at the Payments Community Event on 17 September 2015, with the aim of further understanding the areas stakeholders felt should be prioritised by the Forum.
5. Of the areas discussed, participants at the event were generally in agreement that the following user-needs should be addressed by the Forum:
 - Solutions for misdirected payments
 - Solutions that give the user greater control e.g. of outgoing payments
 - Review of Direct Debit scheme (DDs) e.g. the length of the guarantee or introduction of business to business DDs
 - Development of and access to payment instruments for vulnerable customers e.g. further development of ATMs
 - An industry wide effort to further educate payment service-users and promote communication and transparency
6. Of these issues, participants indicated that mis-directed payments should be the highest priority for the Forum.

Scope and deliverables

7. This group will a) understand and define the issue of misdirected payments b) examine whether and how payment systems can be developed to address the problem of mis-directed payments and c) understand and define other user-needs prioritised by the Payments Community.

Stage one	Deliverables
<p>Activity 1: Properly defining and understanding the issue of misdirected payments</p> <p>Key considerations:</p> <ul style="list-style-type: none"> The group should properly understand how the issue defined relates to different user-groups i.e. consumers, SMEs, corporates, retailers, PSPs etc. Is this issue already being addressed by the industry and if so, is the industry's response adequate to [promote service-user interests? This work should build on any work already undertaken on a number of these user-needs by the industry, including Payments UK as part of its World Class Payments Project³. 	<p>Deliverable 1: Provide input to the Evaluation Framework Working Group (EFWG) detailing working group's findings <u>By mid-November (date TBC)²</u></p> <p>Deliverable 2: Present findings to Forum meeting</p>
<p>Activity 2: Determine whether a collaborative approach is appropriate to address mis-directed payments</p> <p>Key considerations:</p> <ul style="list-style-type: none"> Is a solution already available and appropriately serving the needs of those using payment systems or are needs not currently being served? Can it be developed without the need to make changes to central payment systems by System Operators (or equivalent roles) or is their participation expected to be required? Can it be effectively delivered by individual PSPs or could collaboration between PSPs provide a better outcome? This may include consideration of whether PSPs acting individually have failed to take the opportunity to deliver an outcome which sufficiently meets the needs of those using payment systems. Can it be effectively delivered by a single system Operator or could collaboration between Operators provide a better 	<ul style="list-style-type: none"> Where is a collaborative approach appropriate and necessary? Where can the user-need be addressed commercially? <p><u>By 15 December</u></p>

² All materials should be sent to Forum secretariat two weeks ahead of due date

³ <http://www.paymentsuk.org.uk/project-delivery/world-class-payments>

<p>outcome?</p> <ul style="list-style-type: none"> Does it relate to an existing product of one PSP or Operator or to the need for a new system or product for which collaboration could provide a better outcome? Establish whether, and how, the user needs could be addressed collaboratively by the payments industry, including potential technical solutions to each issue 	
<p>Activity 3: Develop conceptual solutions to address mis-directed payments</p>	
<p>Key considerations:</p> <ul style="list-style-type: none"> These should be developed to enable the Evaluation framework group to identify evidence requirements for an assessment of whether these solutions should be included in the strategy 	
<p>Stage two</p>	
<p>Activity 4: Develop detailed solutions where the EFWG and Forum have agreed collaborative development is appropriate.</p>	<p>Deliverable 3: Provide evidence and technical input from to EFWG <u>By mid-January</u> <u>(date TBC)</u></p>
<p>Key considerations:</p> <ul style="list-style-type: none"> Input will be provided by Forum 	
<p>Activity 5: Gather evidence as specified by EFWG to be used for evaluation of each potential solution</p>	<p>Deliverable 4: Present findings to Forum meeting <u>By 25 February</u></p>
<p>Key considerations:</p> <ul style="list-style-type: none"> Evidence requirements to be specified by EFWG 	
<p>Stage three</p>	
<p>Activity 6: Develop plans for implementation of collaborative developments to address mis-directed payments, following EFWG's full evaluation</p>	<p>Deliverable 5: Present findings to Forum meeting <u>By 14 April</u></p>
<p>Key considerations:</p> <ul style="list-style-type: none"> To be provided by the Forum 	

Stage four	
<p>Activity 7: Properly defining and understanding the other user needs highlighted by the Payments Community (see above)</p> <p>Key considerations:</p> <ul style="list-style-type: none"> • The group should properly understand how the issue defined relates to different user-groups i.e. consumers, SMEs, corporates, retailers, PSPs etc. • Is this issue already being addressed by the industry and if so, is the industries response adequate to [promote service-user interests? • This work should build on any work already undertaken on a number of these user-needs by the industry, including Payments UK as part of its World Class Payments Project⁴. 	<p>Deliverable 6: Present findings to Forum meeting <u>By 30 June</u></p>
<p>Activity 8: Determine whether a collaborative approach is appropriate to address the other user needs highlighted by the Payments Community</p> <p>Key considerations:</p> <ul style="list-style-type: none"> • Is a solution already available and appropriately serving the needs of those using payment systems or are needs not currently being served? • Can it be developed without the need to make changes to central payment systems by System Operators (or equivalent roles) or is their participation expected to be required? • Can it be effectively delivered by individual PSPs or could collaboration between PSPs provide a better outcome? This may include consideration of whether PSPs acting individually have failed to take the opportunity to deliver an outcome which sufficiently meets the needs of those using payment systems. • Can it be effectively delivered by a single system Operator or could collaboration between Operators provide a better outcome? • Does it relate to an existing product of one PSP or Operator or to the need for a new system or product for which collaboration could provide a better outcome? • Establish whether, and how, the user needs could be addressed collaboratively by the payments industry, including potential technical solutions to each issue 	<p>Deliverable 7: Provide input to the Evaluation Framework Working Group (EFWG) detailing working group's findings <u>By mid-November (date TBC)</u>⁵</p>

⁴ <http://www.paymentsuk.org.uk/project-delivery/world-class-payments>

⁵ All materials should be sent to Forum secretariat two weeks ahead of due date

Working group concludes

8. The Forum can discuss and agree changes to the terms of reference for this group.

Working group operating principles

Chair and membership

9. The Forum will select a working group Chair to coordinate this work, responsible for reporting back to the Forum.
10. The Forum should discuss and agree the constitution of the working group to progress the work. There should be an open call for expressions of interest in actively participating in its work.
11. The PSR, the FCA and Bank of England should be invited to attend working group meetings as observers.

Resourcing

12. The Forum should agree resourcing, including provision of secretariat support to the group and locations for meetings.
13. Working group members will be expected to provide all resources and funding necessary for the group to function effectively.

Meetings

14. The Working group Chair will be responsible for convening any meetings necessary to progress the work.
15. The Working group Chair should be responsible for presenting the deliverables of the group as required by the Forum.
16. The working group may decide to set up its own sub-groups to progress work on specific matters within the scope of the working group if it considers this will help it to meet its objectives. The Forum should be made aware of the formation of any sub-groups and their purpose and function.

Annex 3 Financial crime working group terms of reference

Background

1. The Payment Systems Regulator (PSR) has a duty to promote the development of, and innovation in payment systems in the interests of those who use, or are likely to use, the services provided by those payment systems (service-users).
2. The PSR has established the Payments Strategy Forum (the Forum) to ensure that changes and innovations in payment systems which require collaboration between firms can happen in an effective and timely manner. It aims to help overcome coordination difficulties and to proactively engage with a broad and diverse range of service-users to put their views at the beginning of the strategy setting process.
3. In preparation for the Forum's first meeting in October 2015, the PSR has been engaged in discussions with around 90 different stakeholders from the Payments Community, to establish common views on key areas or issues that could be addressed strategically by the Forum.
4. Input from these stakeholders was discussed at the Payments Community Event on 17 September 2015, with the aim of further understanding the areas stakeholders felt should be prioritised by the Forum.
5. One area that participants at the event thought should be a priority for the Forum was an assessment of developing centralised financial crime (KYC, AML, Fraud, Sanctions-screening) services utilising payment systems. Participants also suggested that a centralised solution to these issues might be beneficial to competition, by lowering barriers to entry for new players in financial services.

Scope and deliverables

6. This group will gather evidence to assist the Forum's considerations on whether and how payment systems can be utilised to help develop centralised functions aimed at preventing financial crime.

Stage one	Deliverables
<p>Activity 1: Understand and define issues/ requirements highlighted above</p>	<p>Deliverable 1: Provide input to the Evaluation Framework Group (EFWG) detailing working group's findings <u>By mid-November (date TBC)</u>⁶</p>
<p>Key considerations:</p> <ul style="list-style-type: none"> ○ This activity should take into account the work of organisations already active in this area. This could include: the Cabinet Office, Financial Fraud Action UK, the Government Engagement and Advisory Group, the Joint Money Laundering Intelligence Taskforce, Payments UK and DWP. 	
<p>Activity 2: Determine whether a collaborative approach is appropriate</p>	<p>Deliverable 2: Present findings to Payments Strategy Forum meeting</p> <ul style="list-style-type: none"> • Where is a collaborative approach appropriate and necessary? • Where can the issue or requirement be addressed commercially? <p><u>By 15 December</u></p>
<p>Key considerations:</p> <ul style="list-style-type: none"> • Is a solution already available and are the needs of payment system users currently being appropriately served? • Can it be developed without the need to make changes to central payment systems by system Operators (or equivalent roles) or is their participation expected to be required? • Can it be effectively delivered by individual PSPs or could collaboration between PSPs provide a better outcome? This may include consideration of whether PSPs acting individually have already failed to take the opportunity to deliver an outcome which sufficiently meets the needs of those using payment systems. • Can it be effectively delivered by a single system Operator or could collaboration between Operators provide a better outcome? • Does it relate to an existing product of one PSP or Operator or to the need for a new system or product for which collaboration could provide a better outcome? 	
<p>Activity 3: Develop conceptual solutions to address issues/</p>	

⁶ All materials should be sent to Forum secretariat two weeks ahead of due date

requirements	
Key considerations: <ul style="list-style-type: none"> • These should be developed to enable the Evaluation framework group to identify evidence requirements for an assessment of whether these solutions should be included in the strategy 	
Stage two	
Activity 4: Further develop conceptual solutions where the EFWG and Forum have agreed collaborative development is appropriate.	Deliverable 3: Provide evidence and technical input from activity 1 and to EFWG By mid-January (date TBC)
Key considerations: <ul style="list-style-type: none"> • To be agreed by the Forum 	
Activity 5: Gather evidence as specified by EFWG to be used for cost benefit analysis of each potential solution option	Deliverable 4: Present findings to Forum meeting By 25 February
Key considerations: <ul style="list-style-type: none"> • Evidence requirements to be specified by EFWG 	
Stage three	
Activity 6: Provide evidence and technical input to support EFWG's evaluation	Deliverable 5: Provide evidence and technical input to EFWG By mid-March (date TBC)
Key considerations: <ul style="list-style-type: none"> • Evidence requirements to be specified by EFWG 	
Stage four	
Activity 7: Develop plans for implementation of collaborative developments in relevant areas, following EFWG's full evaluation	
Key considerations: <ul style="list-style-type: none"> • To be provided by the Forum 	
Working Group concludes	

7. The Forum can discuss and agree changes to the terms of reference for this group.

Working group operating principles

Chair and membership

8. The Forum will select a working group Chair to coordinate this work, responsible for reporting back to the Forum.
9. The Forum should discuss and agree the constitution of the working group to progress the work. There should be an open call for expressions of interest in actively participating in its work.
10. The PSR, the FCA and Bank of England should be invited to attend working group meetings as observers.

Resourcing

11. The Forum should agree resourcing, including provision of secretariat support to the group and locations for meetings.
12. Working group members will be expected to provide all resources and funding necessary for the group to function effectively.

Meetings

13. The Working group Chair will be responsible for convening any meetings necessary to progress the work.
14. The Working group Chair should be responsible for presenting the deliverables of the group as required by the Forum.
15. The working group may decide to set up its own sub-groups to progress work on specific matters within the scope of the working group if it considers this will help it to meet its objectives. The Forum should be made aware of the formation of any sub-groups and their purpose and function.

Annex 4 Horizon scanning work stream terms of reference

Background

1. The Payment Systems Regulator (PSR) has a duty to promote the development of, and innovation in payment systems in the interests of those who use, or are likely to use, the services provided by those payment systems (service-users).
2. The PSR has established the Payments Strategy Forum (the Forum) to ensure that changes and innovations in payment systems which require collaboration between firms can happen in an effective and timely manner. It aims to help overcome coordination difficulties and to proactively engage with a broad and diverse range of service-users to put their views at the beginning of the strategy setting process.
3. In preparation for the Forum's first meeting in October 2015, the PSR has been engaged in discussions with around 90 different stakeholders from the Payments Community, to establish common views on key areas or issues that could be addressed strategically by the Forum.
4. Input from these stakeholders was discussed at the Payments Community Event on 17 September 2015, with the aim of further understanding the areas stakeholders felt should be prioritised by the Forum.
5. One area that participants at the event thought should be a priority for the Forum was the creation of a capacity for horizon scanning, both of regulatory and technical developments in the UK and abroad. This should inform the Forum's strategy setting process.

Work stream scope and deliverables

6. This work stream will inform the Forum of relevant market, regulatory, and technological developments, to assist the Forum to:
 - properly understand and takes into account relevant UK and international market, regulatory, and technological development;and
 - understand how these developments might affect its work.
7. The group will research and present a regular horizon scanning report to the Forum. The report will identify key developments and suggest how these might be relevant to the Forum's work.
8. The Forum can discuss and agree changes to the terms of reference for this group.

Stage one	Deliverables
<p>Activity 1: Properly defining and understanding the scope of its work and research required</p> <p>Key considerations:</p> <ul style="list-style-type: none"> • The resources the group has to use to gather the information it needs. • The framework to be used to evaluate a development's relevance to the Forum. • A high-level summary of the areas the group believes are within the scope of its work. At a minimum, this should include all anticipated market, regulatory, and technological developments that are substantial, and relevant to the work of the Forum. 	<p>Deliverable 1: A summary for the Forum of the group's approach to conduct their research and analysis. <u>By 15 December⁷</u></p>
Ongoing	
<p>Ongoing activity: Horizon Scanning</p> <p>Key considerations:</p> <ul style="list-style-type: none"> • To be agreed by working group 	<p>Ongoing Deliverable: A regular report summarising key developments along with a view of their relevance to the Forum. <u>By each Forum meeting</u></p>

Working stream operating principles

⁷ All materials should be sent to Forum secretariat two weeks ahead of due date

Chair and membership

9. The Forum will select a working stream lead to coordinate this work, responsible for reporting back to the Forum.
10. The Forum should discuss and agree the constitution of the working stream to progress the work. There should be an open call for expressions of interest in actively participating in its work.
11. The PSR, the FCA and Bank of England should be invited to attend working group meetings as observers.

Resourcing

12. The Forum should agree resourcing, including provision of secretariat support to the group and locations for meetings.
13. Work stream members will be expected to provide all resources and funding necessary for the group to function effectively.

Meetings

14. The work stream lead will be responsible for convening any meetings necessary to progress the work.
15. The work stream lead should be responsible for presenting the deliverables of the group as required by the Forum.
16. The work stream may decide to set up its own sub-groups to progress work on specific matters within the scope of the work stream if it considers this will help it to meet its objectives. The Forum should be made aware of the formation of any sub-groups and their purpose and function.

Annex 5 Evaluation framework working group (EFWG) terms of reference

Background

1. The Payment Systems Regulator (PSR) has a duty to promote the development of, and innovation in payment systems in the interests of those who use, or are likely to use, the services provided by those payment systems (service-users).
2. The PSR has established the Payments Strategy Forum (the Forum) to ensure that changes and innovations in payment systems which require collaboration between firms can happen in an effective and timely manner. It aims to help overcome coordination difficulties and to proactively engage with a broad and diverse range of service-users to put their views at the beginning of the strategy setting process.
3. In preparation for the Forum's first meeting in October 2015, the PSR has been engaged in discussions with around 90 different stakeholders from the Payments Community, to establish common views on key areas or issues that could be addressed strategically by the Forum.
4. Input from these stakeholders was discussed at the Payments Community Event on 17 September 2015, with the aim of further understanding the areas stakeholders felt should be prioritised by the Forum.
5. In discussing strategies to address the areas raised by the Payments Community, the Forum should ensure that it operates in line with competition law.
6. Where the Forum's work involves cooperation between firms who would otherwise compete, relevant undertakings will need to satisfy competition law requirements, which includes ensuring that any negative effect on competition is counterbalanced by concrete benefits for consumers.
7. These draft terms of reference set out the scope and operating principles for a group which will assist the Forum to examine proposals in an objective manner and to take steps to abide by competition law.

Scope and deliverables

8. Working alongside other working groups established by the Forum, this group will facilitate evaluation of potential solutions developed by the other groups. It will inform the Forum of the implications of developing a solution in a collaborative manner, including:
- a. Whether it is *appropriate* for each proposal to be delivered in a collaborative manner and if so,
 - b. Whether each proposal would be expected to deliver positive net benefits, modelling the size of those benefits

Stage one	Deliverable
<p>Activity 1: Group to develop an evaluation framework</p> <p>Key considerations:</p> <p>The evaluation framework is expected to allow a systematic consideration of the impacts of the proposed solutions including but not limited to:</p> <ul style="list-style-type: none"> • Expected extent of demand/quantity for the solution • Impacts on price and quality indicators (including issues such as resilience). • Impacts (both positive and negative) on competition in different parts of the payment system e.g. between PSPs, infrastructure providers or Operators. • The impact of the solution for the incentives for innovation in the future. • Costs of the proposed collaborative solution including implementation costs and any potential unintended consequences. • The evidence gathering for some of the potential impacts of the proposals will be provided by various working groups of the Forum, who will also be interacting with EFWG to provide any technical expertise if need be. 	<p>Deliverable 1: A set of evidence requirements for each working group <u>By December (date tbc)⁸</u></p> <p>Deliverable 2: A comprehensive evaluation framework to be discussed at Forum meeting <u>By 15 December</u></p>
<p>Activity 2: Group to determine evidence requirements for working groups on the basis of 'conceptual' solutions provided</p>	

⁸ All materials should be sent to Forum secretariat two weeks ahead of due date

by other working groups	
Key considerations: <ul style="list-style-type: none"> Group will need to consider conceptual solutions provided by the working groups in order to provide them with further evidence requirements that will be used to inform evaluation. 	
Stage two	
Activity 3: Conduct evaluation of Account Number Portability using the evaluation framework	Deliverable 3: A report to the Forum detailing group’s evaluation of the cost benefit case for account number portability <u>By February (date tbc)</u>
Key considerations: <ul style="list-style-type: none"> The group will consider the FCA’s study⁹ on potential solutions for Account Number Portability (ANP), as a starting point to assess ANP against the evaluation framework it has developed. 	
Activity 4: Gather evidence and technical input from working groups on their areas of focus	
Key considerations: <ul style="list-style-type: none"> This information should be sufficient to enable the evaluation group to start an evaluation of each of the working group’s proposals. 	
Stage three	
Activity 5: Conduct full evaluation of proposals developed by: <ul style="list-style-type: none"> Simplifying Access to Market working group User-needs working group Financial crime working group 	Deliverable 4: A report to the Forum detailing its evaluation of the costs and benefits of proposed solutions developed by the working groups. <u>By April (date tbc)</u>
Key considerations: <ul style="list-style-type: none"> The detail and extent of the analysis carried out by the working group will be proportional to the expected value or importance of the specific issue. Where quantitative analysis of the proposed solution is not practical, a comprehensive qualitative analysis will be conducted. 	
Working Group concludes	

⁹ Account Number Portability: [Report](#) commissioned by the Financial Conduct Authority, March 2015

9. The Forum can discuss and agree changes to the terms of reference for this group.

Working group operating principles

Chair and membership

10. The Forum will select a working group Chair to coordinate this work, responsible for reporting back to the Forum.
11. The Forum should discuss and agree the constitution of the working group to progress the work. There should be an open call for expressions of interest in actively participating in its work.
12. The PSR, the FCA and Bank of England should be invited to attend working group meetings as observers.

Resourcing

13. The Forum should agree resourcing, including provision of secretariat support to the group and locations for meetings.
14. Working group members will be expected to provide all resources and funding necessary for the group to function effectively.

Meetings

15. The Working group Chair will be responsible for convening any meetings necessary to progress the work.
16. The Working group Chair should be responsible for presenting the deliverables of the group as required by the Forum.
17. The working group may decide to set up its own sub-groups to progress work on specific matters within the scope of the working group if it considers this will help it to meet its objectives. The Forum should be made aware of the formation of any sub-groups and their purpose and function.

Annex 6 - PAYMENTS STRATEGY FORUM WORKING GROUP OVERVIEW

Payments Strategy Forum	Evaluation Framework	Simplifying access to markets	User-Needs	Financial Crime	Horizon Scanning
	<p>Purpose: This group will facilitate evaluation and cost benefit analyses of potential solutions developed by the other groups. It will inform the Forum of the implications of developing a solution in a collaborative manner</p>	<p>Purpose: This group will examine whether and how payment systems can be developed in order to simplify access and participation in the market for PSPs</p>	<p>Purpose: This group will examine whether and how payment systems can be developed in order to address a number of specific user-needs</p>	<p>Purpose: This group will examine whether and how payment systems can be utilised to develop centralised functions aimed at preventing financial crime</p>	<p>Purpose: This work stream will research and present a regular horizon scanning report to the Forum. The report will identify key developments and suggest how these might be relevant to the Forum's work.</p>
Forum Meeting 1 8 October 2015	Evaluation Framework Group Initiated	Working group Initiated (WG1)	Working group Initiated (WG2)	Working group Initiated (WG3)	Work Stream Initiated
Working Groups formed (membership, resources, terms of reference agreed)					
<p>STAGE 1: Definitions and Concepts</p>	<p>Activity 1: Develop an evaluation framework</p> <p>Activity 2: Determine evidence requirements for working groups 1, 2 & 3 on the basis of conceptual solutions provided by each group</p> <p>Deliverable 1: Provide a set of evidence requirements for each working group</p>	<p>Activity 1: Understand and define three key areas</p> <p>Activity 2: Undertake an initial assessment of simplification scenarios</p> <p>Deliverable 1: Provide input to the Evaluation Framework Working Group (EFWG) detailing findings from activity 1&2</p>	<p>Activity 1: Properly defining and understanding issue of misdirected payments</p> <p>Activity 2: Determine whether a collaborative approach is appropriate to address mis-directed payments</p> <p>Activity 2: Develop conceptual solutions to address mis-directed payments</p> <p>Deliverable 1: Provide input to the Evaluation Framework Group (EPWG) detailing working group's findings</p>	<p>Activity 1: Understand and define issues/ requirements</p> <p>Activity 2: Determine whether a collaborative approach is appropriate</p> <p>Activity 3: Develop conceptual solutions to address issues/ requirements</p> <p>Deliverable 1: Provide input to the Evaluation Framework Group (EPWG) detailing working group's findings</p>	<p>Activity 1: Properly defining and understanding the scope of its work and research required</p>
Forum Meeting 2 15 December 2015	<p>Deliverable 2: Deliver evaluation framework (to be discussed at Forum)</p> <p>Activity 3: Conduct evaluation of Account Number Portability using framework</p> <p>Activity 4: Gather evidence and technical input from working groups on their areas of focus</p>	<p>Deliverable 2: Present findings to Forum</p> <p>Activity 3: Gather further evidence as specified by EFWG to enable assessment of 'simplification scenarios'</p> <p>Deliverable 3: Provide evidence and technical input from activity 1 to EFWG</p>	<p>Deliverable 2: Present findings to Forum</p> <p>Activity 4: Further develop conceptual solutions</p> <p>Activity 5: Gather evidence as specified by EFWG to be used for cost benefit analysis of each potential solution</p> <p>Deliverable 3: Provide evidence and technical input from activity to EFWG</p>	<p>Deliverable 2: Present findings to Forum</p> <p>Activity 4: Further develop detailed solution options</p> <p>Activity 5: Gather evidence as specified by EFWG to be used for cost benefit analysis of each potential solution option</p> <p>Deliverable 3: Provide evidence and technical input from activity to EFWG</p>	<p>Ongoing Deliverable: A regular report to Forum</p> <p>Ongoing activity: Horizon Scanning</p>
Forum Meeting 3 25 February 2016	<p>Deliverable 3: Provide report on evaluation of Account Number Portability to Forum</p> <p>Activity 5: Conduct full evaluation of proposals developed by WG 1,2&3</p>	<p>Deliverable 4: Present findings to Forum</p> <p>Activity 4: Continue to gather evidence and provide technical input to EFWG</p> <p>Deliverable 5: Provide evidence and technical input to EFWG</p>	<p>WG2 deliverable 4: Present findings to Forum</p> <p>Activity 6: Develops plans for implementation of collaborative developments to address mis-directed payments</p> <p>Deliverable 5: Provide evidence and technical input to EFWG</p>	<p>Deliverable 4: Present findings to Forum</p> <p>Activity 6: Develops plans for implementation of solutions in relevant area</p> <p>Deliverable 5: Provide evidence and technical input to EFWG</p>	<p>Ongoing Deliverable: A regular report to Forum</p> <p>Ongoing activity: Horizon Scanning</p>
Forum Meeting 4 14 April 2016	<p>Deliverable 4: Provide report on evaluation of proposed solutions from WG 1,2&3 to Forum</p>	<p>Deliverable 6: Present findings to Forum</p> <p>Activity 5: Develop plans for implementation of collaborative developments in relevant areas</p> <p>Deliverable 7: Present to Forum</p>	<p>Deliverable 6: Present findings to Forum</p> <p>Activity 7: Properly define and understand the other user needs highlighted by the Payments Community</p> <p>Activity 8: Determine whether a collaborative approach is appropriate to address the other user needs highlighted by the Payments Community</p>	<p>Deliverable 6: Present findings to Forum</p> <p>Activity 7: Develop level plans for implementation of collaborative developments in relevant area.</p>	<p>Ongoing Deliverable: A regular report to Forum</p> <p>Ongoing activity: Horizon Scanning</p>
<p>STAGE 4: Development of Strategy</p>	<p>Deliverable 4: Provide report on evaluation of proposed solutions from WG 1,2&3 to Forum</p>	<p>Deliverable 7: Present findings to Forum</p>	<p>Deliverable 6: Present findings to Forum</p>	<p>Deliverable 7: Present findings to Forum</p>	<p>Ongoing activity: Horizon Scanning</p>
Forum Meeting 5 30 June 2016					
<p>STAGE 5 Development and Publication of Strategy</p>					
Forum Meeting 6 21 September 2016					

